



EVERY HOUSE

# 60

years  
and counting

## ROTHMANS 60TH ANNIVERSARY

On our 60th anniversary this year, it is remarkable to think what we have achieved since we first began as a one-man business set up by Algy Rothman in Winchester in 1955. After Geoff Pantall joined the firm in 1962, offices were established in Havant and Fareham. Today, we have 12 offices and a team of more than 200 people, serving clients UK-wide, across Europe and globally, including Asia, Australia, the Middle East and the US.

Through the decades, we have acted for generations of families and businesses. Many continue to trust Rothmans with their affairs, including some who have been with us for nearly 50 years. This is a wonderful testament to the high quality of advice and services that we provide.

Indeed, the strong relationships we build with all our clients is one of Rothmans' greatest assets – an approach that helps us to continue being one of the most successful independent firms of chartered accountants and business advisors in the South. We have always believed that our services should be completely bespoke to each client – whether that's adding value to a business or protecting an individual's personal wealth.

We are also proud of our reputation for recruiting and retaining the best staff available at all levels, some of whom have also been with us for many years.

As we look forward to enjoying many more years of partnership with clients old and new over the next 60 years and beyond, we

are also celebrating a continuing programme of expansion for the firm during this landmark year.

A number of new staff have joined us during recent months and new offices have opened in Southampton and Petersfield.

We have also created a new insolvency arm, Rothmans Recovery Ltd, with offices in Portsmouth, Salisbury and Bristol.

This year, our 60th anniversary celebrations include a special Business Leaders Lecture on 18 June. This event has become an important date in the calendar for businesses across the region. We are delighted to welcome guest speaker Sam Dickson, Commercial Director at Waitrose, voted last year as the nation's favourite supermarket. She will be giving the audience an exclusive insight into how one of Britain's most famous high street names continues to achieve tremendous success in such a competitive market.

A special event for staff is also being planned for later this year to mark our 60th anniversary.



Martin Osborne  
Senior Partner

# P11D FILING AND COMMON ERRORS

Forms P11D, and where appropriate P9D, which report details of expenses and benefits provided to employees and directors for the year ended 5 April 2015, are due for submission to HMRC by 6 July 2015. Any Class 1A National Insurance liability arising for the employer on those expenses/benefits must be paid to HMRC by 19 July 2015 (22 July 2015 where payment is made electronically). Typical reportable benefits include the following although this is not a complete list:

- Company Cars
- Cheap or Interest Free Loans
- Season Tickets
- Medical Costs
- Private Medical Insurance
- Fuel for Company Cars

HMRC has published a list of common errors in the completion of forms P11D.

The information is part of the latest Employer Bulletin and we have reproduced the guidance below.

- Submitting duplicate P11D information on paper where P11D information has already been filed online to ensure 'HMRC has received it'. These duplicates can cause processing problems.

- Using a paper form that relates to the wrong tax year – check the top right hand corner of the first page.
- Not ticking the 'Director' box if the employee is a Director.
- Not including a description or abbreviation, where amounts are included in sections A, B, L, M or N of the form.
- Leaving the 'cash equivalent' box empty where you've entered a figure in the corresponding 'cost to you' box of a section.
- Completing the declaration on the final FPS/EPS submission accurately (for those employers whose software package requires them to be completed) or question 6 in section A of RT 4 form to indicate whether P11Ds are due.
- Not advising HMRC either by paper form P11D(b) or electronic submission that there is no Benefits in Kind & Expenses return to make.
- Where a benefit has been provided for mixed business and private use, entering only the value of the private-use portion – you must report the full gross value of the benefit.
- Not completing the fuel benefit box/field where this applies. This means an amended P11D has to be sent in.
- Incorrectly completing the 'from' and 'to' dates in the 'Dates car was available' boxes. For example entering 06/04/2014 to 05/04/2015 to indicate the car was available throughout that year. If the car was available in the previous tax year, the 'from' box should not be completed and if the car is to be available in the next tax year, the 'to' box should not be completed.

If you would like help with the completion of the forms P11D please contact us.



Andrea Todorov  
Partner



# £89 MILLION – FROM £100 LATE FILING PENALTIES

Following on from the article in the last PIN regarding penalties imposed for late or non submission of personal Tax Returns, a staggering 890,000 Returns relating to the tax year ended 5 April 2014 – which needed to be filed by 31 January 2015 – remained outstanding on 1 February. That represents a potential income to the Treasury of £89,000,000!

4.3 million Returns were submitted during January 2015, 980,000 of which were sent in on the last day of the month.

In addition to those automatic £100 fines for

not meeting the filing deadline of 31 January 2015 there are daily fines of £10, from 1 May 2015, up to a maximum of £900, whilst the Tax Return remains outstanding after; after six months a further fine can be levied of £300 or 5% of the tax due whichever is greater, and after 12 months 100% of the tax due would be required plus any tax still owed or a further £300 fine or 5% of the tax, again whichever is the greater.

These penalties are in addition to the interest and surcharges which are due for paying tax late.

If you have still not submitted your Return, please

contact us immediately and remedy the situation. Delay only makes matters worse.



Julian Sims  
Partner



## ROTHMANS SETS UP NEW BUSINESS RECOVERY COMPANY AS PART OF CONTINUED EXPANSION



Rothmans has set up a new insolvency arm, Rothmans Recovery Ltd, as part of its continuing programme of expansion.

Insolvency specialists, Kevin Weir and Rupert Mullins, both previously Directors with insolvency and business recovery firm, Benedict Mackenzie, are joining Rothmans Recovery as Directors and are bringing their teams with them to new offices in Hampshire, Wiltshire and Bristol.

“We were very keen to acquire a highly-respected practice with well-known insolvency and corporate recovery practitioners in order to further enhance our services to business,” said Martin Osborne, Rothmans Senior Partner. “Together with our extensive number of offices throughout the south of England, this new specialist arm will be able to provide further help to businesses that are

hoping to maximise the opportunities now that the economy is at last picking up.”

Kevin Weir will lead the Rothmans Recovery team from offices at Portsmouth in Hampshire and Salisbury in Wiltshire. Starting his career as a Chartered Tax Advisor and with more than 25 years’ experience, including with the Inland Revenue as well as running his own business, Kevin has specialised in insolvency for many years.

Kevin Weir stated: “Joining a firm with the size and reputation of Rothmans is an exciting move for myself, Rupert and the entire team. It is an excellent opportunity to provide a superb service to businesses of all sizes.”

Rupert Mullins, who will head up the new Rothmans Recovery Bristol office, has been

an insolvency practitioner for 25 years, serving businesses throughout West and South West England and Wales. He also provides professional assistance to clients of organisations such as the Federation of Small Businesses and Business West.



Rupert Mullins  
Director, Rothmans Recovery

# HAMPSHIRE CHAMBER OF COMMERCE – AUDIT APPOINTMENT



Hampshire Chamber of Commerce has appointed Rothmans to be its Auditors.

Hampshire Chamber of Commerce is owned and led by its membership comprising of local business organisations of all sectors and sizes. They hold over 100 events every year including their annual conference, which strive to give all members the opportunity to learn, meet new contacts and promote their business through networking or promotional opportunities.

They also provide Training services, International Trade services, a host of membership benefits and member offers and links to a variety of groups

and committees They are also an integral part of the Hampshire Business Alliance.

Robin Lloyd, Partner, commented on the appointment: "We are delighted that Hampshire Chamber of Commerce has selected Rothmans as its auditors.

We are confident that our advice will help further strengthen the Chamber's position as the leading business support organisation in the south."

Pictured from left to right at Rothmans' offices are Stewart Dunn – Chief Executive of Hampshire Chamber of Commerce, Robin Lloyd, Andrew Spencer and Jonathan Poulter.

## CHANGES TO THE CONSTRUCTION INDUSTRY SCHEME (CIS)

The government has announced that it will implement a package of improvements to the CIS. The stated aim of the changes is to reduce the administrative and related cost burden on construction businesses. The measures should result in more subcontracting businesses being able to achieve and maintain gross payment status so improving their cashflow. These changes are to be implemented in stages.

### From 6 April 2015 the following amendments will be made to the system:

- The requirement for a contractor to make a return to HMRC even if the contractor has not made any payments in a tax month will be removed. Contractors may make a voluntary nil return but will no longer be obliged to do so.

- The requirements for joint ventures to gain gross payment status will be relaxed where one member already has this status and that firm or company has a right to at least 50% of the assets or the income or holds at least 50% of the shares or the voting power in the joint venture.
- Earlier repayments can be made to liquidators in insolvency proceedings. Currently where a subcontractor is a company, no repayment of any amount deducted and paid over to HMRC by a contractor can be made to the subcontractor until after the end of the tax year in which the deduction was made. These rules will be amended so that in certain cases where the amount deducted by the contractor is excessive, a repayment can be made during the tax year.

### From 6 April 2016 further changes are proposed:

- Mandatory online filing of CIS returns will be introduced with the offer of alternative filing arrangements for those unable to access an online channel by reason of age, disability, remote location or religious objection.
- The Directors' self assessment filing requirements will be removed from the initial and annual compliance tests.
- The threshold for the turnover test will be reduced to £100,000 in multiple directorship situations.

From 6 April 2017 mandatory online verification of subcontractors will be introduced.

# BUDGET UPDATE; ROTHMANS GIVES REGIONAL BUSINESSES THE INSIDE EDGE

As you are aware, the Conservatives have been returned to Government with a majority and as expected have announced a second Budget which is to take place on 8 July. Rothmans will be issuing a second

report picking up on the relevant points for your business but whilst we await the detail of their proposed measures, we are providing below a refresher from the March Budget. If you have not already done so,

you may care to visit Rothmans website ([www.rothmanslp.com](http://www.rothmanslp.com)) and sign up for the Firms' eNews to receive topical and relevant information direct to your inbox.

## CORPORATION TAX RATES ARE AS FOLLOWS:

Financial year to	31 March 2016	31 March 2015
<b>Taxable profits</b>		
First £300,000	20%	20%
Next £1,200,000	20%	21.25%
Over £1,500,000	20%	21%

### Annual Investment Allowance (AIA)

The maximum amount of the AIA is currently £500,000 for all qualifying expenditure on plant and machinery made from 1 April 2014 for corporation tax and 6 April 2014 for income tax. After 31 December 2015 the limit was set to reduce to £25,000 but is now subject to further review. Transitional rules will apply.

### Research and development (R&D)

The rate of the above the line credit will increase from 10% to 11% and the rate of the small and medium (SME) scheme will increase from 225% to 230%. These will take effect from 1 April 2015.

### Film Tax Relief

The rate of film tax relief will increase to 25% for all qualifying core expenditure, for all eligible film productions. The distinction between limited budget films and all other will be removed.

These changes will have effect on and after 1 April 2015 or the date of state aid approval, whichever is the later date.

### High-end Television tax relief & animation tax relief

Subject to state aid clearance, the minimum UK expenditure requirements will be reduced from 25% to 10% for qualifying expenditure incurred on and after 1 April 2015.

### Farmers Averaging

The period over which self-employed farmers can average their profits for income tax purposes is to be extended from two years to five. This measure will come into effect from 6 April 2016 following a consultation on the detailed design and implementation of the extension.

### Changes to Employers NICs

From 6 April 2015 employers will no longer be required to pay Class 1 secondary NICs

on earnings paid up to the upper secondary threshold to any employee under the age of 21. This will apply to both existing employees and new staff taken on by employers. No individual's state pension entitlement will be affected by the measure.

From April 2015 the £2,000 annual Employers Allowance for employer NICs will be extended to care and support workers.

From April 2016 employer NICs up to the upper secondary threshold for apprentices aged under 25 will be abolished.

### Abolition of Class 2 NICs

The Government announced its intention to abolish Class 2 NICs in the next Parliament and reform Class 4 NICs to introduce a new benefit test. The Government will consult on the details and timing of these reforms later in 2015.

## (CONTINUED)

Income Tax	2015/16	2014/15
Basic rate band – income up to	£31,785	£31,865
Starting rate for savings income	*0%	*10%
Basic rate	20%	20%
Dividend ordinary rate	10%	10%
Higher rate – income over	£31,785	£31,865
Higher rate	40%	40%
Dividend upper rate	32.5%	32.5%
Additional rate – income over	£150,000	£150,000
Additional rate	45%	45%
Dividend additional rate	37.5%	37.5%
Starting rate limit (savings income)	*£5,000	*£2,800
*If an individual's taxable non-savings income exceeds the starting rate limit, then the starting rate limit for savings will not be available for savings income.		

Personal Allowance (PA)	2015/16	2014/15
Born after 5 April 1948	£10,600	£10,000
Born between 6 April 1938 and 5 April 1948	*£10,600	*£10,500
Born before 6 April 1938	*£10,660	*£10,660
<b>Married Couple's Allowance (MCA)</b>		
Either partner born before 6 April 1935 (relief restricted to 10%)	*£8,355	*£8,165
<b>Transferable Tax Allowance</b>		
Higher rate	£1,060	-
* Allowances for those born before 6 April 1948 are reduced by £1 for every £2 that adjusted net income exceeds £27,700 (£27,000) to a minimum PA of £10,600 (£10,000) to a minimum MCA of £3,220 (£3,140).		
Where adjusted net income exceeds £100,000, PA is reduced in the same way until it is nil regardless of the individual's date of birth.		
The higher personal allowance for those born before 6 April 1938 will be removed with effect from 2016/17, so that everyone regardless of their age is entitled to the same personal allowance.		

## PETERSFIELD OFFICE

Rothmans have expanded with the merger of Cox Manning in Petersfield.

Cox Manning was founded 24 years ago by Louise Manning creating a firm to offer taxation and accountancy services in Liss and the surrounding areas. She now has eight staff located in its Dragon Street offices and is looking forward to seeing it grow further.

Louise said "I've really enjoyed the last 24 years and have been lucky enough to employ some wonderful staff, who are still here, but merging with Rothmans allows us to increase even further the level and range of expertise and services available to assist clients, whilst giving me the opportunity to better balance my time."

Rothmans offers a full range of services including business advisory, compliance and outsourcing as well as high level tax planning

and company audit work. Havant Partner James Shaw sees this as a key opportunity to use Rothmans' resources and support to take-forward the practice created by Louise. "We are very much looking forward to increasing our involvement in Petersfield and the surrounding region, working with Louise and her team to deliver a greater range of professional services in the area, supporting the local business community, and finding new opportunities for the firm".

Joining the Petersfield office as a Director is Paul New. Paul is a general practitioner, who specialises in financial reporting for both statutory and management purposes. He says, "Having qualified in public practice and worked in a number of senior financial and commercial positions within industry, I have come to understand there is a big difference between reporting to fulfil a statutory requirement and reporting to meet

the needs of management. Ultimately I aim to help business owners and managers achieve increased business growth by better understanding the impact of their financial and non-financial decisions".

Paul lives in Horndean with his wife and their two young sons. He is a passionate follower of sport and music.



Paul New, Director, Louise Manning and James Shaw, Partners

**Chandlers Ford**  
T +44 (0) 23 8026 5550

**London**  
T +44 (0) 20 7871 9711

**Ringwood**  
T +44 (0) 1425 479977

**Southampton**  
T +44 (0) 23 8021 1088

**Fareham**  
T +44 (0) 1329 280221

**Petersfield**  
T +44 (0) 1730 266816

**Salisbury**  
T +44 (0) 1722 413413

**Sutton**  
T +44 (0) 20 8642 1048

**Havant**  
T +44 (0) 23 9248 2683

**Portsmouth**  
T +44 (0) 23 9282 3777

**Segensworth**  
T +44 (0) 1489 575428

**Winchester**  
T +44 (0) 1962 842345